

RHS, RBS, RUS, FSA, USDA**Pt. 1951, Subpt. F, Exh. B**

health or sanitary standards which require immediate attention.

(b) If the borrower has been requested to graduate and has also been denied a request for a subsequent loan, subordination, or consent to additional indebtedness, the borrower may appeal both issues.

§ 1951.266 Special requirements for MFH borrowers.

All requirements of subpart E of part 1965 must be met prior to graduation and acceptance of the full payment from an MFH borrower.

EFFECTIVE DATE NOTE: At 69 FR 69105, Nov. 26, 2004, §1951.266 was revised, effective Feb. 24, 2005. For the convenience of the user, the revised text is set forth as follows:

§ 1951.266 Special requirements for MFH borrowers.

All requirements of 7 CFR part 3560, subpart K must be met prior to graduation and acceptance of the full payment from an MFH borrower.

§§ 1951.267–1951.299 [Reserved]

§ 1951.300 OMB control number.

The reporting requirements contained in this regulation have been approved by the Office of Management and Budget (OMB) and have been assigned OMB control number 0575–0093.

**EXHIBIT A TO SUBPART F OF PART 1951
[RESERVED]**

**EXHIBIT B TO SUBPART F OF PART 1951—
SUGGESTED OUTLINE FOR SEEKING
INFORMATION FROM LENDERS ON
CREDIT CRITERIA FOR GRADUATION
OF SINGLE FAMILY HOUSING LOANS**

Date: _____
Name of Lender: _____
Title: _____
Address: _____
Name of County Supervisor: _____
Service Area: _____

1. Is the lender interested in making loans to refinance rural housing borrowers? Yes: ____; No: ____.
If later, when? _____

How much credit does the lender expect to have available in the next three to four months for making such loans? \$ _____

In the next twelve (12) months? \$ _____

2. What are the loan terms? _____

3. What is the current interest rate? _____
_____ ☐ Variable rate. ☐ Fixed rate.

If variable, how is it determined? _____

4. Is a risk differential used in establishing interest rates charged for new customers? Yes: ____; No: ____.

If yes, explain: _____

5. What can a typical loan applicant be expected to pay for:

	Dollars	Or percent
a. Filing an application
b. Real estate appraisal
c. Credit report
d. Loan origination fee
e. Loan closing costs

6. Is mortgage guarantee insurance required? Yes: ____; No: _____. If yes, how many years? _____. Cost? _____.

7. Is there a minimum or maximum loan size policy? Yes: ____; No: _____.
If yes, explain: _____

8. Is there a minimum and maximum home value the lender will loan on? Yes: ____; No: _____. If yes, minimum: \$ _____; maximum: \$ _____.

9. Does the lender use a loan to market value ratio? _____

10. Is there a minimum net and gross income criteria? Yes: ____; No: _____. If yes, net: \$ _____; gross: \$ _____.

11. Does the lender use a minimum loan or home value to income ratio? Yes: ____; No: _____. If yes, loan to income ratio: _____
Value to income ratio: _____

12. Is there a percentage of gross income a typical applicant should have available to pay housing costs? _____

a. To pay for principal, interest, taxes and insurance (PITI)? ____%.

b. To pay for the total housing costs and other credit obligations? ____%.

13. Are there any age of home, housing type, site size, and/or geographic restriction policies? Yes: ____; No: ____.

If yes, List: _____

14. Other Comments: _____

15. For the purpose of reducing the number of inappropriate referrals, would the lender like the opportunity to review specific borrower financial information prior to the borrower being asked to file a formal application? Yes: ____; No: _____. If the answer is yes, *only* those borrowers who are listed on Form FmHA or its successor agency under Public Law 103–354 1951–24 will be referred to the bank. The lenders should be advised, however, the information supplied to them will

§ 1951.451

not include the borrower's name, social security number, exact address, or place of employment that could be used to link a specific borrower to the information being provided by FmHA or its successor agency under Public Law 103-354.

[48 FR 40203, Sept. 6, 1983; 48 FR 41142, Sept. 14, 1983]

Subpart G-I [Reserved]

Subpart J—Management and Collection of Nonprogram (NP) Loans

SOURCE: 58 FR 52646, Oct. 12, 1993, unless otherwise noted.

§ 1951.451 General.

This subpart contains policies and procedures of the Farm Service Agency (FSA) for making, managing, collecting, liquidating, and servicing loans on nonprogram (NP) terms. All references in this subpart to farm real estate, farm property and farm chattels also include nonfarm property that was security for a Farm Credit debt of the FSA.

(a) An NP loan is a loan on terms more stringent than terms for a program loan and it is an extension of credit for the convenience of the Government because the applicant does not qualify for program assistance or the property to be financed is not suited for program purposes. Such loans are made or continued only when it is in the best interest of the Government. NP loans include:

(1) Sale of inventory property on NP terms;

(2) Assumption of a program loan on NP terms;

(3) Loans converted to NP status as a result of receipt of unauthorized assistance;

(4) Loans converted to NP status when only a portion of the security property is being transferred and the FmHA or its successor agency under Public Law 103-354 debt is not paid in full;

(5) Sale of the real property that was security for an FP loan to the previous

7 CFR Ch. XVIII (1-1-05 Edition)

owner under the Leaseback/Buyback program on NP terms;

(6) Sale of the real property of an FP borrower under the Homestead Protection program; or

(7) FP accounts rescheduled under an accelerated repayment agreement.

(b) C&BP/NP and MFH/NP transactions involving transfer of the security property will be submitted to the National Office for review, authorization and processing guidance. The submission must include a justification for the proposed action, a servicing and management plan, the State Director's recommendations, and the case files. The sale of C&BP and MFH inventory property to NP purchasers will be handled in accordance with subpart C of part 1955 of this chapter.

(c) Borrowers who have program and NP loans will have their loan accounts serviced and liquidated in accordance with the regulation applicable to the particular loan(s). Therefore, NP loans are not eligible for any program servicing except those permitted in this subpart. However, even though the NP loan will not be eligible for program servicing benefits or entitlements, the borrower is not precluded from receiving assistance on the program loan (e.g., having an NP farm loan should not preclude a borrower from being considered for debt restructuring assistance in the form of a deferral, rescheduling, consolidation, etc., on a FP program loan). When the decision has been made to liquidate the program loan of a borrower who is also indebted for an NP loan and the NP security is also additional security for the program loan the NP loan will be accelerated at the same time as the program loan using the program acceleration notice. Likewise, if an NP loan is to be liquidated and the borrower is also indebted for a program loan which serves as additional security for the NP loan the program loan will be accelerated at the same time as the NP loan using the program acceleration notice. Any appeal of an adverse decision involving